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UNITED STATES GOVERNMENT

Memorandum

SECRET/SCOPE (S)

1 - Mr. J. B. Adams
1 - Mr. W. R. Wannall
1 - Mr. W. O. Cregar

Assoc. Dir. / Dep. AD Adm. / Dep. AD Inv. / Asst. Dir.: Admin. / Comp. Syst. / Ext. Affairs / Files & Com. / Gen. Inv. / Ident. / Inspection / Intell. / Laboratory / Legal Coun. / Plan. & Eval. / Spec. Inv. / Training / Telephone Rm. / Director Sec'y

TO : Mr. W. R. Wannall

DATE: 7/15/75

FROM : F. S. Putman

JUNE

1 - Mr. F. S. Putman
1 - Mr. W. A. Branigan
1 - Mr. L. F. Schwartz
1 - Mr. M. R. L'Allier

SUBJECT: SENSTUDY 75

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.

Reference is made to memorandum W. O. Cregar to Mr. W. R. Wannall, dated 6/26/75, captioned "Senstudy 75."

SYNOPSIS:

The purpose of this memorandum is to summarize information in FBI files concerning (S) [Israeli intelligence collection capabilities] in the United States. James J. Angleton, former Chief, Counterintelligence Operations, Central Intelligence Agency (CIA), advised the FBI on 6/26/75 that he appeared before the Senate Select Committee (SSC) and in response to questions advised SSC he only had secondhand and fragmentary information concerning (S) [Israeli capabilities to conduct intelligence collection] in the United States, including (S) [nuclear information.] He advised the SSC that questions concerning this matter might more properly be directed to the FBI. [Sensitive technical source coverage by the FBI of the [redacted], between February, 1969, and October, 1972, developed information showing that Angleton, during this period in his official capacity at CIA, had frequent personal liaison contacts with the [redacted]el, Israeli Intelligence Service (IIS) representatives involving the exchange of extremely sensitive information. Currently the FBI has no pending investigation involving Israeli intelligence collection capabilities in the United States. The most current information in FBI files concerning this matter involved the investigation based on CIA information dated 11/14/68 concerning the establishment at the Embassy of Israel, Washington, D. C., of an Israeli technical intelligence network. Also under investigation during this period at New York City was an IIS attempt to penetrate United Nations and official Arab establishments by the use of live sources. FBI files also reflect that IIS representatives periodically have operated in the United States since 1948.] (S)

1 - [65-58700 (IIS)] (S)

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SECRET/SCOPE (S)

Classified by 7005
Exempt from GDS, Categories 2 and 3
Date of Declassification Indefinite

6 JUL 22 1975

ROUTE IN ENVELOPE

SPEC. MAIL RM.

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Memorandum to Mr. W. R. Wannall
Re: Senstudy 75

ACTION:

None. For information.

+HG

JA

wRW

WOG

PG

JMA

Memorandum to Mr. W. R. Wannall
Re: Senstudy 75

DETAILS:

According to referenced memorandum, James Angleton, former Chief, Counterintelligence Operations, CIA, advised the FBI on 6/26/75 that he had recently testified under oath without counsel before three Senators and staff members of the Senate Select Committee (SSC). He was questioned concerning his knowledge of [Israeli capabilities to conduct intelligence collection] (S) in the United States, including [nuclear information.] (S) Angleton stated he avoided any direct answers, advising that any knowledge he might have would be secondhand and fragmentary. He informed the SSC that questions concerning this matter might more properly be directed to the FBI.

Sensitive technical source coverage by the FBI of the Embassy of Israel, Washington, D. C., between February, 1969, and October, 1972, determined that Angleton, in his official capacity at CIA, had frequent personal liaison contacts with Israeli Intelligence Service (IIS) representatives at the Embassy of Israel, Washington, D. C., involving the exchange of extremely sensitive information. This special relationship was confirmed by Angleton and other CIA officials during a meeting with an FBI representative on 4/3/69. At this meeting CIA representatives stated that this liaison with IIS was known by the White House and the U. S. State Department. (S) JFK(1)(B) STATE JFK(1)(4)

At the present time the FBI has no pending investigation involving Israeli intelligence collection capabilities in the United States. (S)

The most current information in FBI files concerning this matter involved the investigation based on CIA information dated 11/14/68 concerning the establishment at the Embassy of Israel, Washington, D. C., of an Israeli technical intelligence network directed by Avraham Hermoni, Scientific Counselor. Hermoni, prior to his assignment as Scientific Counselor in Washington, D. C., was involved in the Israeli nuclear weapons program. The activities and contacts of Hermoni and colleagues at the Embassy were investigated through 1972. The investigations of these individuals were discontinued as no specific information was developed to indicate that they had acted unlawfully or outside the scope of their official duties. (S) JFK(1)(B)

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Memorandum to Mr. W. R. Wannall
Re: Senstudy 75

During the period of these investigations it was determined that Embassy of Israel officials recruited U. S. scientists for employment in Israel, and extensive liaison was established with individuals within U. S. scientific, political, academic and industrial communities. As an example, Hermoni developed close contact with Dr. Zalman Mordecai Shapiro, Director of Nuclear Materials and Equipment Corporation, Apollo, Pennsylvania, a firm which processes uranium 235 for nuclear reactors. (S)

The basis of the discontinuation of the sensitive technical source coverage on the Israeli Embassy in 1972 was a U. S. State Department directive. (S) STATE JFK(1)(C)

During this period it was also determined that the IIS was attempting to penetrate the United Nations (UN) and Arab diplomatic establishments in New York City. An informant of the New York Office, who previously engaged in intelligence activities in the Middle East for the Israelis between 1955 and 1960 while working at the UN, was recontacted by Israeli intelligence in August, 1968, while visiting Israel. This informant had access at the UN to extremely sensitive information from the office of the Secretary General. Israeli intelligence had directed him to obtain and furnish, through a mail drop in Belgium, interoffice communications between the Secretary General of the UN and his undersecretaries, and information regarding the Middle East, particularly relating to Arab matters. (S)

In May, 1968, another informant of the New York Office, who previously resided in the Middle East and was active in the Egyptian intelligence service, addressed a personal letter to General Dayan of Israel in which he expressed his opinion the Israelis should force the Egyptians to surrender and sign a peace treaty. Informant was subsequently contacted in New York City by an Israeli intelligence agent who furnished his name as "Michael" who showed informant a copy of his letter to Dayan. "Michael" subsequently "recruited" informant and furnished him a mail drop in Italy. "Michael" instructed informant to obtain employment at an Arab diplomatic establishment in New York City in order to (S)

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furnish Israeli intelligence information on Arab moves in the Middle East crisis. During a meet in October, 1969, "Michael" was surveilled to the Israeli Consulate where he met Paul Korem, IIS representative. The informant subsequently received instructions that in the event of an emergency he should call a specific telephone number and ask for "Paul." This telephone number was identified as being a private line located at the Israeli Consulate. (S)

Neither of the above-described operations is currently active at New York. (S)

Korem, during his assignment at the Israeli Consulate in New York, initiated liaison contact with the New York Office of the FBI. (S)

FBIHQ currently has liaison with Menachem Navoth, IIS representative at the Embassy of Israel, Washington, D. C. During July, 1956, through December, 1956, while attending American University, Washington, D. C., and employed part time as a guard at the Embassy of Israel, Navoth was engaged in intelligence activities in the United States. Navoth met with an FBI double agent who was an employee of the U. S. State Department on several occasions and paid the double agent $250.00 for cooperating with the Israelis. (S)

New York currently has liaison with the Israeli Consulate. (S)

FBI files also reflect that IIS representatives have periodically conducted operations in the United States similar to those described herein since 1948. (S)

WRW

JMM